

NATIONAL GRANGE OF THE ORDER OF PATRONS OF HUSBANDRY

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April 23, 2013

The Honorable Greg Walden Chairman Subcommittee on Communications and Technology Committee on Energy and Commerce 2182 Rayburn House Office Building Washington, DC 20515 The Honorable Anna Eshoo Ranking Member Subcommittee on Communications and Technology Committee on Energy and Commerce 241 Cannon House Office Building Washington, DC 20515

Dear Chairman Walden and Congresswoman Eshoo:

On behalf of the National Grange, the nation's oldest rural advocacy organization, I write to you today to express our support for the Universal Service Fund's wireless Lifeline program and the many rural Americans it currently serves. There are currently 51 million Americans living in rural areas, with over 15% of them living in poverty. This is noticeably higher than the national poverty rate of approximately 13.2%. These citizens, many of them working to put food on our tables, deserve access to the many opportunities and security that the Lifeline program provides.

Through the Lifeline program, millions of low-income Americans are able to communicate with prospective and current employers, connect with emergency, health, social, and educational services, and keep in touch with family and friends. There are currently as many as 15 million low-income households who, without Lifeline benefits, would have to choose between feeding their children and going without a dial tone that could save their lives or put them on a better economic path through employment. A survey of Lifeline users indicated that nearly 70% use their Lifeline service to pursue employment and remain employed. In today's struggling economy, giving these individuals the resources they need to join or remain in the workforce is an absolute must.

Low-income Americans currently benefiting from Lifeline services fall in a wide range of diverse groups. One participating servicer estimates that more than 80% of Lifeline subscribers in 2011 had an average household income below \$15,000; that the average age was 51; and that more than 45% of Lifeline subscribers were Caucasian compared to 40% who were African American and 7% who were Hispanic. Incidentally, 10% are also veterans who have more than earned access to this most basic convenience.

We recognize that like many government programs, there have been instances of abuse. That is why we strongly supported the actions of the Federal Communications Commission (FCC) in January 2012 when they reformed and modernized the Lifeline program to eliminate waste, fraud and abuse and to improve effectiveness and to reflect the changing needs of the communities served by Lifeline. Similarly, we recognize that our nation is facing tough budgetary times and that cost-cutting measures must be taken. However, cutting or even eliminating the wireless Lifeline program will not reduce the federal deficit by one penny, as taxpayer dollars do not pay for Lifeline. Instead, this program is funded by contributions from telecommunications companies, which may elect to share the costs of those contributions with their subscribers. Far from imposing a burden on taxpayers, wireless Lifeline has been proven to help lowincome people find and keep jobs, ultimately reducing spending on public assistance programs.

The National Grange remains resolute in our support of the Lifeline program and would encourage members of Congress and the FCC to continue to support Lifeline's ability to provide both wireline and wireless phone services. Thank you in advance for your attention to our concerns and our strong support for the Lifeline program. We look forward to working with you on this and other issues, and hope we can serve as a resource in the future. Please don't hesitate to contact me, Grace Boatright, at 202-628-3507 ex. 114 or gboatright@nationalgrange.org should you have any questions.

Sincerely,

Grace Boatright

National Grange Legislative Director

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